(c) the details of the loss incurred, if any, by the merger?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM): (a) Indian Airlines is at present operating to 55 domestic stations. With the three Donier 228 aircraft, services to the following stations are being operated:—

(1) Calcutta (2) Aizwal (3) Guwahati (4) Lilabari (5) Dimapur

(b) Of the 1334 employees of Vayudoot, 311 were absorbed by Air India and the remaining 1023 were offered appointment by Indian Airlines out of which 4 employees have, not joined so far.

(c) Indian Airlines is likely to pay Vayudoot liabilities of about rupees 183 crores.

Guidelines for Nominee Directors on Corporate Boards by FIs

2592. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government owned Financial Institutions (FIs) have made some guidelines for its nominee directors on Corporate boards to safeguard the interests of Minority shareholders; deposit holders, promoters. creditors etc; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Industrial Development Bank of India (IDBI) has reported that as per the extant institutional guidelines for the use of nominee directors, a nominee director is expected to take keen interest in the overall performance of the company concerned and policy adopted by its management without interference in the day-to-day working of the company. While he is expected to safeguard the interest of institution nominating him it is not the intention that he should act merely as a watch dog on behalf of the institution. His responsibility and obligation would be that of any other Director of the company and he is expected to work in the interest of the company, institutions and shareholders. No specific guidelines have, however, been issued for safeguarding the interests of minority shareholders, deposit holders, promoters, creditors etc.

Violation of Norms by Banks

2593. SHRI O.P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the preliminary investigations by the police in the shoe scam have revealed that the banks are not following the laid down norms in the matter of grant of loans to various cobblers societies in Mumbai;

(b) if so, the facts thereof;

(c) the action taken against the guilty banks officials;

(d) whether similar disrespect to laid down norms were shown by the officials of the Vysya Bank Ltd. where cheque books were issued on xeroxed copies of requisition slips, on fake requisition slips and cheques were cleared/passed on forged signatures and in excess of the amount they were authorised to pass; and

(e) if so, what action has been taken against those officials, with details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Reserve Bank of India (RBI) have reported that a communication has been received from Deputy Commissioner of Police, Mumbai stating that an offence under IPC has been registered against some leading shoe companies and various leather cooperative societies to investigate misutilisation of finance meant for weaker sections of society such as artisans/cobblers' cooperative societies.

The Police has not referred to irregularities on the part of financing banks. RBI is in correspondence with the concerned banks with regard to complicity, if any, of their staff.

(d) and (e) RBI have reported that it has come to the notice of Vysya Bank Ltd. that in three cases in two New Delhi branches of the bank, cheque books were issued during 1994/1995 on the basis of xeroxed copy of cheque requisition slip and fake requisition slip bearing forged/ bogus signatures. Subsequently, these cheques were used for fraudulently drawing money from the bank. The total amount involved in the fraud is Rs. 8.30 lakhs. On the basis of investigation and departmental enquiries completed so far, three officers have been awarded a punishment of withholding of one increment with cumulative effect and a clerk of the branch has been placed under suspension.

Permission for Expansion to State owned Oil Corporation

2594. SHRI SUNDER SINGH BHANDARI: Will the Minister of FINANCE be pleased to state:

(a) whether State owned oil corporations have been allowed expansion beyond Rs. 50 crores without obtaining prior permission of Government; and

(b) whether the proposal is being made applicable to all state owned companies?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No. Sir.

(c) Does not arise.

Denying Benefit of Time-Bound Promotion to some Nursing Staff in spite of Cadre Review in AIIMS

2595. SHRI NILOTPAL BASU: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether it is a fact that inspite of Cadre Review in AIIMS which was done with a view to give benefit of time-bound promotion to every worker, some members of the nursing staff have not been given the benefit of time-bound promotion; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI SALEEM IQBAL SHERVANI): (a) and (b) There have been two cadre reviews in AIIMS. In the Cadre review of 1984, employees in Gr. 'B' 'C' and 'D' cadres were given promotion to the next higher grade only subject to fitness and completion of 8 years of service as on 1.4.84. In the cadre review of 1991 also, promotions were given to employees subject to merit, availability of posts in the higher grade, and eligibility as per recruitment rules.

Posting of SBI Officers abroad

2596. SHRI ISH DUTT YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that State Bank of India, Central Office, Mumbai has its branches abroad also;

(b) if so, how many branches are there abroad and details of branches in each country;

(c) what is the pattern of selecting of officers to be posted at these branches;

(d) whether it is a fact that only young officers like Probationary Officers and Trainee Officers are posted abroad and not JMGS-I and MMS-II and Scale-III officers; and

(e) what steps the Bank would take to remove this anomaly so that officers from JMGS-I, MMS-II and III are also posted abroad?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.